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Intra-household Inequality, Poverty and Well-being

Sara Cantillon and Marie Moran

Introduction

In the aftermath of the 2008 global economic recession, wealth and inequality have become hot topics in academia and policy-making.¹ The extent of economic inequality and the increasing gap in many countries in income distribution between richest and poorest have given rise to a renewal of social protest and other forms of civic engagement. Piketty's focus on wealth and in particular the top 1% of income earners has ensured that talk about the 99% and the 1% is entrenched in public debate. Indeed the slogan 'We are the 99%' formed the basis of the Occupy movement in the US and elsewhere.² However, as Atkinson argues, the problem is not simply that the rich are getting much richer but the failure to tackle poverty and the fact that the majority of people are being left behind.³ Any focus on alleviating poverty must also address the extent of wealth and income inequality and the driving forces behind its sharp rise in recent decades.

Aside from moral arguments against excessive economic inequality made by Solow and others,⁴ increasing attention is being paid to the costs of such economic inequality. These costs are evident across political, economic and social contexts in terms of macroeconomic stability, the democratic process and social cohesion. In relation to the costs of societal inequality, there is an established literature on the relationship between societal inequality and physical and psychological health and well-being on both an inter- and intra-national scale which demonstrates a significant correlation between the lived experience of inequality and psychological well-being.⁵ At the micro-level, there is accumulated empirical work on the impact of

¹ Joseph Stiglitz, *The Price of Inequality* (Norton and Co. 2012); Anthony B. Atkinson, *Inequality What can be Done?* (Harvard University Press 2015).

² Thomas Piketty, *Capital in the 21st Century* (Harvard University Press 2014).

³ Atkinson (n 1).

⁴ Robert Solow, *In Conversation about Inequality*, CUNY Graduate Centre, 1 May 2015.

⁵ Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community* (Simon and Schuster 2000); Ed Diener and Robert Biswas-Diener, 'Will Money Increase Subjective Well-being?' (2002) 57 *Social Indicators Research* 119; Michael Marmot, 'Social Determinants of Health Inequalities' (2005) 365 *The Lancet* 1099; Richard Wilkinson and Kate Pickett, *The Spirit Level* (Allen Lane 2009).

unemployment and financial strain on psychological well-being.⁶ This book is concerned with inequalities of wealth and poverty in close personal relationships and, since the 1990s, the question of the allocation of resources *within* households has attracted a large literature focusing on issues such as income pooling, financial decision-making and expenditure and material outcomes.⁷ Social inequality, financial strain and within-household distribution provide the framework for this chapter which looks at the impact of inequality in material outcomes on individual well-being and coping in heterosexual married couples.

While there are many studies which relate societal inequality to societal psychological well-being, very few have attempted to examine the relationship between intra-household inequality and individual psychological well-being. In particular, there is little research investigating the extent to which differences in living standards and the internal financial arrangements adopted explains variance in the psychological health of individual family members beyond that which is attributable to social class, household income or other socio-economic variables.

Previous research on traditional nuclear households has indicated that, where household resources are unequally distributed, the distribution tends to be weighted in favour of the husband, and that furthermore, where a household is characterised by low income and low resources, the burden of responsibility for stretching scarce resources falls disproportionately on the wife, such that she is more likely to deal with the financial strain of making ends meet.⁸ However, even though women typically adopt the role of management of scarce resources, this is not to say that they will experience greater psychological distress as a result. The normalisation of such roles

⁶ Christopher Whelan, Damian Hannon and Sean Creighton, 'Unemployment, Poverty and Psychological Distress' (1991) ESRI General Research Series Paper 150.

⁷ Carolyn Vogler and Jan Pahl, 'Money, Power and Inequality within Marriage' (1994) 42 *Sociological Review* 262; Charlott Nyman and Sandra Dema, 'An Overview: Research on Couples and Money' in Janet Stocks, Capitolina Díaz-Martínez and Björn Halleröd (eds), *Modern Couples Sharing Money, Sharing Life* (Palgrave Macmillan 2007); Sirin Sung and Fran Bennett, 'Dealing with Money in Low-Moderate Income Couples: Insights from Individual Interviews' in Kevin Clarke, Tony Maltby and Patricia Kennett (eds), (2007) 19 *Social Policy Review* 151; Jens Bonke and Martin Browning, 'The Distribution of Financial Well-being and Income within Households' (2009) 7 *Review of Economics of the Household* 31; Sara Cantillon, 'Measuring Differences within Households' (2013) 75 *Journal of Marriage and Family* 598.

⁸ Jackie Goode, Claire Callender and Ruth Lister, *Purse or Wallet: Gender Inequalities and Income Distribution within Families on Benefit* (Policy Studies Institute/ Athenaeum Press 1998); Laura Adelman, Sue Middleton and Karl Ashworth, 'Intra Household Distribution of Poverty and Social Exclusion' (2000) Poverty and Social Exclusion Survey of Britain Working Paper no. 23; Sara Cantillon, Brenda Gannon and Brian Nolan, *Sharing Household Resources* (Combat Poverty Agency 2004).

and responsibilities, both within the household and within broader societal discourses could potentially generate a situation where either the psychological distress generated by the uneven division of responsibility is not articulated or recognised as distress by the women involved, or where the women involved actually do experience a disproportionately smaller degree of psychological distress than the situation might suggest, for reasons such as the availability of more sophisticated social networks for women, or the acquisition of coping mechanisms at an early developmental stage.⁹ Indeed, research indicates that some women derive peace of mind and a sense of pride from their skills as managers of low income.¹⁰ In any event, the gendered division of resources and power within a household does not exist in a vacuum but is related to the affluence and classed position of that household to begin with – both in terms of the allocative system adopted, and the amount of resources available for intra-household distribution.¹¹ What matters for the purposes of this analysis is whether, at the level of the household, gender differences in deprivation and experiences of financial strain give rise to gender-differentiated experiences of psychological stress, over and above that level of economic insufficiency and concomitant psychological stress generated by wider economic or labour market forces.

The chapter begins with a brief overview of the literature which demonstrates correlations between relative deprivation and psychological distress, and between financial strain and psychological distress, and those few studies which look at these issues within ‘the black box’ of the household. It reviews the results of a specially designed individual level study that examined differences between spouses in material deprivation across a broad range of indicators, the management of scarce resources and psychological strain. This chapter then explores the question of whether such differences have a significant and negative psychological impact on the member of the family burdened with this relative deprivation and disproportionate financial responsibility, using data from a special ad hoc module in the 1999 Living in Ireland Survey (LIIS). While dated, it remains the only survey ever done in Ireland that sought responses at an individual level across a broad range of non-monetary

⁹ Constance Nathanson, ‘Illness and the Feminine Role: a Theoretical Review’ (1975) 9 *Social Science and Medicine*, 57; Walter R Gove, ‘Gender Differences in Mental and Physical Illness: the Effects of Mixed and Nurturant Roles’ (1984) 19 *Social Science and Medicine* 77.

¹⁰ Goode, Callender and Lister (n 8).

¹¹ Jan Pahl, ‘Earning, Sharing, Spending: Married Couples and Their Money’ in Robert Walker and Gillian Parker (eds), *Money Matters* (Sage 1987).

deprivation and financial decision-making indicators while also surveying individuals on psychological health. In 2010 the EU Survey of Income and Living Conditions (EU SILC) included an ad hoc module aimed at investigating outcomes within the household, which focused mainly on income pooling. It included five indicators of material living standards and a few indicators of financial decision-making. An analysis of those responses is provided in this chapter where relevant.

Relative Deprivation, Financial Strain, Psychological Distress and the Lived Experience of Inequality

As stated previously, there is a substantial body of work which shows a significant correlation between the lived experience of inequality and psychological well-being.¹² What this research demonstrates is that beyond a certain degree of material well-being, it is the psychological strain associated with the experience of inequality, rather than the material or institutional constraints generated by such inequality, which produces detrimental health effects. While these studies do not deny that the experience of poverty itself can also generate psychological distress, they are more concerned with the consequences of living in an unequal society: how the experience of inequality can adversely affect the psychological health, affective well-being and, often as a result, physical health of individuals and nations, in addition to, or over and above, the physical and psychological effects of living in poverty.¹³

Beyond these epidemiological studies which are primarily concerned with the general health of the population, there is a range of studies which are more specifically concerned with the impact of inequality on psychological as opposed to physical well-being. O'Connell found that when controlling for average income, the level of equality in the income distribution of a given country is significantly predictive of the satisfaction level of the population, but that when controlling for the equality level, the average income rates were *not* significantly predictive of satisfaction level.¹⁴

¹² Putnam (n 4); Richard Wilkinson, *Unhealthy Societies: The Afflictions of Inequality* (Routledge 1996); Wilkinson and Pickett (n 5); Putnam (n 5); Diener and Biswas-Diener (n 5).

¹³ Martha Fineman, *The Autonomy Myth: A Theory of Dependence* (The New Press 2004); John Baker, Kathleen Lynch, Sara Cantillon and Judy Walsh, *Equality from Theory to Action* (2nd edn, Palgrave 2009).

¹⁴ Michael O'Connell, 'Fairly Satisfied: Economic Equality, Wealth and Satisfaction' (2003) 25 *Journal of Economic Psychology* 297.

O'Connell's work forms part of a larger body of research which suggests that beyond a certain cut-off point, societal, and indeed individual, levels of satisfaction are not related to wealth but to perceptions and experiences of one's relative position or affluence within the society.¹⁵

The role of financial strain in explaining psychological distress

Within the broader body of research which examines the relationship between psychological distress and socio-economic status as it relates to both absolute and relative deprivation, there is a significant subset of research which employs the concept of financial strain to illuminate this relationship. In the literature, and more specifically in this chapter, financial strain is conceptualised as the cognitively experienced component of deprivation or a low-income existence which involves juggling finances, stretching scarce resources and having to 'do without'. While scarce resources also impact on the physical well-being of individuals, the concept of financial strain is helpful insofar as it allows us to differentiate between the stress associated with straightforward physical deprivation, such as a lack of food or warm clothing, and the stress associated with the management of scarce resources - the financial strain of 'making ends meet'. These micro-dynamics of intra-household financial strain are, of course, located within a bigger picture which involves not only individual or household levels of deprivation but also individual or household socio-economic status.

The gendered division of financial control and psychological well-being

Unemployment, poverty and financial strain clearly explain a substantial and significant amount of the variance in psychological stress experienced by household members. A question that these studies have not addressed, however, is how much further variance could be explained by reference to the gendered distribution of resources and control within a given household, and indeed to the financial

¹⁵ Tom R Tyler and others, *Social Justice in a Diverse Society* (USA Westview Press 1997); Bram Buunk and Thomas Mussweiler, 'New Directions in Social Comparison Research' (2001) 31 *European Journal of Social Psychology* 467; Paul Sweeney and Dean McFarlin, 'Social Comparisons and Income Satisfaction: a Cross-national Comparison' (2004) 77 *Journal of Occupational and Organizational Psychology* 149.

management systems in place which allocate different degrees of power and responsibility to household members according to gender.

Women's relative position in the household may be considered a central variable in the relationship between women's socio-economic status and psychological health. This is not simply because of its confounding effects on attempts to single out the well-being of women as distinct from the overall well-being of the household but also because of the way in which a woman's relative power and resources within the household must affect the level of strain she experiences on a daily basis.

Few studies of the relationship between women's socio-economic status and their psychological health focus on the gendered division of financial control or gendered experience of financial strain within the household. One such study was carried out by Walters and co-authors which used data from the 1994 Canadian National Population Health Survey (NPHS) to explore the extent to which gender differences in health may be explained by work, household structure and social, personal and material resources.¹⁶ A more recent study explored the relationship between psychological well-being and savings, investments and debts.¹⁷ It found that there was a growing independence in financial arrangements between couples, with investments and debts more likely to be individually held. Savings, on the other hand, were viewed as shared assets. In terms of psychological well-being, the authors found that men's psychological well-being was affected by their own levels of savings, investments and debts rather than their partners, while women's well-being was influenced by both their own levels and that of their partners.¹⁸ We will return to the significance of this finding later in the chapter.

Another attempt to provide a gendered analysis of the relationship between financial strain or management and psychological well-being was carried out by Rottman.¹⁹ In his study of income distribution within Irish households, he looked at the relationship between the financial management system, the degree of sharing of resources and the

¹⁶ Vivienne Walters, Peggy McDonough and Lisa Strohschein, 'The Influence of Work, Household Structure, and Social, Personal and Material Resources on Gender Differences in Health: An Analysis of the 1994 Canadian National Population Health Survey' (2002) 54 *Social Science and Medicine* 677.

¹⁷ Man-Yee Kan and Heather Laurie, 'Savings, Investments, Debts and Psychological Well-being in Married and Cohabiting Couples' (2010) Institute for Social and Economic Research Working Paper 2010-42.

¹⁸ Ibid.

¹⁹ David Rottman, *Income Distribution within Irish Households* (Combat Poverty Agency 1994).

psychological well-being of men and women, as measured separately from the overall well-being of the household. This study is the closest to what is attempted in this paper and provides a useful benchmark for comparison purposes. In summary, Rottman found that there was a statistically significant relationship between income sharing and levels of psychological distress as well as feelings of fatalism. Sharing of income was associated with lower levels of psychological distress and lower levels of fatalism. The effects were found to be stronger for wives than for husbands. The results clearly signalled that it was the amount of money shared rather than the absolute amount available for common consumption that was the psychological predictor. An identifiable link was also found between the division of expenditure responsibilities and psychological distress. Rottman concluded that:

The main implication is to reinforce the importance of paying attention to how families organise their finances. How income and expenditure responsibilities are shared affects the material and psychological well-being of family members but the effects are particularly evident for wives.²⁰

The Special Ad Hoc Module in the Living in Ireland Survey

We now turn to look at the results in relation to differences between husbands and wives in living standards within households and differences in financial strain or burden of coping in situations of scarce resources as well as results for men's and women's psychological health. In the next section, we examine the relationship between these variables to assess the impact, if any, on psychological distress and inequality within households of married couples.

The analysis is based on two separate modules of the 1999 LIIS. The first was a specially designed module, included as a one-off in the annual LIIS, which investigated intra-household inequality using non-monetary deprivation indicators, including questions on household budgeting and measures of financial strain. The second module, known as the Outlook on Life, is part of the annual LIIS and employed two separate measures of psychological health – namely the General Health Questionnaire (GHQ) and Fatalism measures. The LIIS is a large nationally representative survey which forms the Irish component of the European Community Household Panel (ECHP) conducted on an annual basis since 1994. The sample size

²⁰ Ibid 15.

available for analysis was 1,124 couples (2,248 individuals). Since 2003, the LIIS has been replaced by the annual Survey of Income and Living Conditions conducted at the level of the European Union.

Differences in material deprivation between spouses

The analysis of the responses to the set of specially designed indicators focused on the scale and nature of differences between spouses in living standards. The questions related to levels of consumption and material deprivation ranging from basic deprivation items to central heating, car use, family meals and food consumption as well as access to pastimes/leisure activities, social activities, personal spending money and education and training. The results showed that the majority of husbands and wives reported that they did not have to do without these items due to lack of money.²¹

Where there was disparity (that is, where only one partner was without), there was a consistent, albeit not very dramatic, imbalance in favour of husbands across all the items. This imbalance widened considerably, however, when the non-monetary indicators broadened beyond the very basic deprivation items such as shoes and clothes to areas of social and leisure activity. The greatest differences between husbands and wives showed up in relation to social activities and spending money. Nearly 30% of couples gave different responses in relation to having a regular pastime or leisure activity and, in about two-thirds of these, it was the husband who had, and the wife did not have, a regular leisure activity. A high proportion of wives who did not have an activity where their husband did cited lack of time (due to household or childcare responsibilities) rather than lack of money as the reason. This was also true in relation to the socialising question (having/not having an afternoon or evening out over the previous fortnight) where childcare is given as the reason by 9.4% of wives compared to 2.9% of husbands.

The results are consistent with the expanding literature on time poverty which indicate that time, particularly time spent on childcare responsibilities, may be a greater

²¹ This is consistent with the rapid increase in general living standards in Ireland during the late 1990s and the simultaneous pronounced fall in consistent poverty measures. In contrast, the 2010 EUSILC showed a rapid decline in living standards of Irish households with large increases in deprivation especially for households with children. This reflects the dramatic change in economic circumstances in Ireland from a period of boom to a period of bust.

constraint for women than money per se.²² The findings on personal spending money mirror those of Rottman's study²³ and fit into the pattern established by previous national and international research which show that husbands are more likely than wives to have personal spending money and to have more to spend on themselves.²⁴

The information provided by the various non-monetary indicators was used to construct summary measures of the extent of deprivation experienced by husbands and wives, and of the differences between spouses/partners in this regard. Two summary deprivation indices were compiled which reflected 'enforced lack' – that is, a score is added to the index only for those items lacked and regarded as not affordable.²⁵ The first summary index comprises eight basic items which include a raincoat, two pairs of shoes, a new suit, haircut, dental care, doctor visits, new clothes and having to buy secondhand, rather than new, clothes. The second summary index focuses on the four less basic items (leisure, social, entertainment and educational/training pursuits) that display higher levels of deprivation for both spouses and greater differences in the responses of spouses.

We construct a measure of the difference between spouses in reported deprivation levels by subtracting the husband's score on this summary index from that of his wife. A positive 'gap' measure for the couple thus means that the wife has reported a higher level of deprivation than the husband, while a negative 'gap' measure means the husband has reported greater deprivation. The summary deprivation index reflecting enforced lack for the eight basic items showed a gap in deprivation scores for 13% of couples. This was divided between cases where the wife reported greater deprivation than her husband (8%), and those where it was the husband who reported greater deprivation (5%). The second summary deprivation index, reflecting enforced lack for the four non-basic items, showed a gap in enforced deprivation scores for 29% of

²² Clair Vickery, 'The Time Poor - a New Look at Poverty' (1977) 12 *Journal of Human Resources* 27; M Bittmann and J Wajcman, 'The Rush Hour; The Quality of Leisure time and Gender Equity' (1999) SPRC Discussion Paper 97.

²³ Rottman (n 19).

²⁴ Vogler and Pahl (n 7); Charlott Nyman, 'Gender Equality in "the Most Equal Country in the World"? Money and Marriage in Sweden' (1999) 47 *The Sociological Review*

²⁵ It is important when constructing scales of this kind to determine how well the set of items measures a single construct. One such measure is Cronbach's alpha coefficient of reliability or consistency in the data. Cronbach's alpha for the male summary index is measured at 0.75, for the female index at 0.77, and for the combined index at 0.86, all indicating a high degree of consistency across these items.

couples. Here there is a greater imbalance, with the wife reporting greater deprivation than her husband in 19% of these couples compared to the 9% where it was the husband who reported greater deprivation. We return to these deprivation indices in the multivariate analysis which, as we will see, demonstrates a systematic relationship between male and female deprivation scores, certain household characteristics and psychological well-being.

Differences in management and control over household resources

A second objective of the individual level non-monetary indicators was to assess differences in access to and management of finances within Irish households and, in particular, to assess the extent to which women carried a disproportionate burden of responsibility for stretching scarce resources. The results showed a complex pattern, where management varied not only across households but also across different areas of spending. When asked what they would do when they needed a coat or a pair of shoes, men were more likely than women to say that they would buy the item straight away or budget for it with their partner. Women were more likely than men to say they would save up to buy it. In low-income households, it was more common for both spouses to say that they would save up to buy the item, but women were still more likely to give this response than men. Joint decision-making was common among both low-income and other households for the purchase of most large household items, for borrowing and repaying money and for dealing with large unexpected bills. For example, about three-quarters of both men and women said that, if a large bill unexpectedly arose, the partners would decide together how to meet it. This was also true in low-income households. However, a traditional division in financial responsibility was evident in relation to regular grocery shopping and weekly budgeting. The wife took on this role in more than half of the couples, with most of the remainder saying that both partners did so.

A similar picture emerged from the 2010 module (EU SILC) which showed gender ‘specialisation’ in terms of everyday decisions, but a sharing of responsibility when it came to big decisions and larger expenditures. For instance, decision-making regarding shopping was shared for only 22% of adults but 53% of adults had a role in decisions regarding furniture or large consumer durables. Shared decision-making was also more likely for borrowing and saving in (58% and 53% respectively).

Compared to decisions on shopping, shared decision-making was also higher (48%) in the case of expenditure for the children, where there are children in the household.²⁶

In relation to the issue of managing scarce resources, the burden of coping falls disproportionately on women. The response to the question ‘Who takes the main responsibility for trying to make sure money, when tight, stretches from week to week?’ showed that it was seen as a joint responsibility in approximately 56% of couples and as the responsibility of the wife in about 34%. In very low-income households - households below the 40% relative income poverty line - the proportion of wives who said they took sole responsibility for making scarce resources stretch increased to 46%.

Differences in Outlook on Life

The Outlook on Life section in the LIIS employed two separate measures of psychological stress - the widely used 12-item General Health Questionnaire (GHQ) and a 6-item fatalism measure which measures feelings of powerlessness or loss of control. Fatalism has consistently been identified as ‘the most important belief in affecting an individual’s level of distress’.²⁷

The distribution of GHQ scores for husbands and wives across the 12-item scale was markedly skewed with a large proportion of husbands and wives, 73 and 67% respectively, recording a zero score, implying that they were in good psychological health. About 27% of husbands and 33% of wives scored between 1 and 12, indicating the presence of psychological distress, with most of those, for both husbands and wives, in the 1-3 categories. In analyses of the 12-item GHQ score, a threshold score of 2 or greater is normally used and employing that threshold with this data showed 15% of husbands and 21% of wives of the total sample reporting psychological distress.²⁸

²⁶ Dorothy Watson, Bertrand Maitre and Sara Cantillon, ‘Implications of Income Pooling and Household Decision-making for the Measurement of Poverty and Deprivation: An Analysis of the SILC 2010 Special Module for Ireland’ (2013) Social Inclusion Technical Paper 4.

²⁷ Whelan, Hannon and Creighton (n 6).

²⁸ The alpha (reliability) co-efficient for the GHQ scale, computed from the ESRI data, is measured at 0.84 for the male index and 0.87 for the female index, indicating a high degree of consistency across the items in this index.

The fatalism scores for husbands and wives showed that approximately a third of the sample recorded a zero score, implying high levels of mastery or sense of control. On the other hand, 65 % of husbands and 68 % of wives scored between 1 and 6 on the fatalism index, although it should be noted that more than half of these scored 1 or 2. As no threshold is commonly used in fatalism scores, the 1-6 results were used as the comparable benchmark in the analyses that follow.

Psychological distress and fatalism across household income

It is of interest, even if only for the purposes of confirming the literature, to examine the relationship between reported psychological distress and fatalism for spouses/partners and household income.

Table 1 shows the relationship between GHQ threshold scores for husbands and wives across equivalised household income. The two extremes of the income distribution, decile 1 and decile 10, showed, as expected, a strong relationship with the GHQ such that the highest probability of psychological distress was in the lowest income decile and, conversely, the lowest probability of psychological distress was in the highest income decile. This held true for both husbands and wives. Thereafter, for husbands, there was no consistent pattern moving up the income distribution. It is, however, noteworthy that 30% of husbands in the poorest decile suffered psychological distress. This figure was almost twice as high as the next highest figure for any other decile and reflects the well-established literature on the relationship for men between unemployment, financial strain and psychological distress.²⁹ For wives, there appeared to be a much more consistent relationship between GHQ score and household income. For each of the top five equivalised household income deciles (50% of the income distribution), wives had a lower probability of a GHQ score than wives for the sample as a whole.

²⁹ Whelan(n6)

Table 1: General Health Questionnaire threshold scores for husbands and wives across household income

Household income	GHQ threshold score (2-12) % of sample	
Deciles	Husbands	Wives
1	29.5	28.7
2	13.7	25.8
3	11.1	20.6
4	15.7	25.0
5	13.0	19.1
6	15.5	18.9
7	14.8	20.3
8	17.2	17.2
9	11.0	17.0
10	9.9	14.3
Average	15	21

Table 2 examines the relationship between the fatalism measure of psychological distress and household income. There appears to be a significant negative correlation between fatalism and household income for both husbands and wives. For husbands, the fatalism score was much higher than average in the bottom three deciles at 78, 82 and 71% respectively, compared to 65% for the sample as a whole. In the top four income deciles, the fatalism score was lower for husbands than for the sample as a whole. For wives, as with the GHQ measure, the relationship between fatalism and household income was more consistent than for husbands. For the bottom 50% of the income distribution, the wives' fatalism score was higher than for the sample as a whole while, for the top 50%, the fatalism score was lower. Not surprisingly, this shows that feelings of powerlessness or lack of control are greater than average for the bottom half of the income distribution.

Table 2: Fatalism scores for husbands and wives across household income

Household income	Fatalism score (1-6) % of sample	
Deciles	Husbands	Wives
1	77.8	77.1
2	81.5	84.7
3	70.6	73.0
4	62.0	69.4
5	63.5	72.3
6	67.2	64.7
7	60.9	65.6
8	63.4	60.2
9	40.0	52.0
10	49.5	52.8
Average	65	68

Material Deprivation, Burden of Coping and Determinants of Psychological Distress

We now turn to exploring the factors that influence the psychological health of husbands and wives. The two measures of psychological well-being examined thus far, GHQ and fatalism, were taken as the dependent variables. In each case, ordinary least squares (OLS) estimation was used to estimate the relationship between the GHQ and fatalism indices and the following independent variables (Model A):

- household equivalent income;
- existence, or otherwise, of wife's independent income (excluding child benefit);
- a continuous variable for age;
- ten dummy variables for education (three, with less than leaving certificate education as the benchmark); social class (three, with unskilled as the benchmark); labour force status; geographical location; the presence or absence of children; and, the presence or absence of another adult at the time of interview.

Many of these factors were found to be significant determinants of the variation in material deprivation and the burden of coping across husbands and wives. In order to say more about the sources of psychological health, the extent to which material

deprivation and financial strain/burden of coping impact on these well-being measures is considered in the second stage of this analysis.³⁰

The measures included are:

- dummy variables for the husband's deprivation on both the eight (a raincoat, two pairs of shoes, a new suit, haircut, dental care, doctor visits, new clothes and having to buy secondhand, rather than new, clothes) and four item (leisure, social, entertainment and educational pursuits) indices and for the wife's deprivation on both the eight and four item indices
- dummy variables for husbands burdened with coping and for wives burdened with coping.

The regression results for psychological health using the variant GHQ for both husbands and wives are given in Tables 3 and 4 - the former presents results for the first set of explanatory factors, income and socio-demographic variables while the latter includes summary deprivation and financial burden measures as explanatory variables. Similar models for the fatalism measure of psychological distress are presented in Tables 5 and 6. In each case the results are presented initially with all independent variables included. The restricted model was produced by retaining only those variables that contribute significantly to the explanatory power of the equation. The significance level for the exclusion of variables was set at 0.10. F-tests confirm the overall statistical significance of all regressions. Increases in the adjusted R^2 values support the validity of the restricted over the full models.

The results in Table 3 for the first psychological health measure (GHQ) show that for the husband, three independent variables were statistically significant in terms of being able to explain some of the variation in the dependent variable in the restricted model. These variables were household income, the husband having at least a Leaving Certificate qualification (equivalent to A Levels/High School Diploma) and his employment status. In each case, a significant negative relationship was found, indicating that higher income levels, having at least a Leaving Certificate qualification and being employed reduce psychological distress. In the wife's case, the results for

³⁰ Both sets of explanatory factors are considered separately due to the potential for multicollinearity if included as explanatory factors in the same model.

the psychological distress measure (GHQ) revealed that three independent variables were statistically significant in terms of being able to explain some of the variation in the dependent variable. As in the husband's case, higher levels of income and the employment status of husbands lead to lower levels of psychological distress. A significant negative relationship was also found between the age of the husband and the wife's GHQ measure, indicating that in younger age groups wives experience greater psychological distress.

Table 3: Determinants of psychological distress: the impact of income and socio-demographic factors

	Husband's GHQ		Wife's GHQ	
	Full Model	Restricted Model	Full Model	Restricted Model
Constant	1.0872*** (0.4011)	0.1243*** (0.1162)	2.3581*** (0.5210)	2.0822*** (0.3996)
Household income	-0.0003 (0.0006)	-0.0008* (0.0005)	-0.0006 (0.0008)	-0.0010* (0.0006)
Female has independent income	-0.0004 (0.0005)		-0.0002 (0.0006)	
Age	0.0035 (0.0052)		-0.0125* (0.0067)	-0.0094* (0.0056)
Higher education	0.1827 (0.1671)		-0.2853 (0.2178)	
Leaving Cert education	-0.2203 (0.1404)	-0.2512* (0.1338)	-0.1949 (0.1830)	
Professional	-0.0823 (0.1454)		-0.1680 (0.1894)	
Skilled	-0.0175 (0.1267)		-0.0857 (0.1655)	
Employed	-0.5445*** (0.1495)	-0.4817*** (0.1154)	-0.4152** (0.1958)	-0.4552** (0.1882)
Urban	-0.1324 (0.1086)		0.1784 (0.1407)	
Children	0.2229* (0.1336)		-0.0971 (0.1744)	
Adult Present ¹	-0.1523 (0.1037)		-0.0937 (0.1349)	
R-squared	0.0352	0.0295	0.0162	0.0102
Adjusted R-squared	0.0257	0.0260	0.0065	0.0075
F-Statistic (P-value)	3.69 (0.0000)	8.50 (0.0000)	1.66 (0.0766)	3.83 (0.0096)

Standard errors given in parenthesis

*** indicates significance at the 1% level

** indicates significance at the 5% level

* indicates significance at the 10% level

Household characteristics are associated with husbands unless otherwise indicated.

¹ ‘Adult Present’ refers to a wife being present at the time of the husband’s interview in the case of the husband and vice versa in the case of the wife.

The extent to which deprivation and financial burden measures impacted on the GHQ scores is presented in Table 4. For husbands, deprivation based on both the eight (basic), and four (social) item index had a significant positive effect on the GHQ measure and, as such, could be considered a source of psychological distress experienced by husbands. In addition, where the wife was deprived on the basis of the eight-item index a significant positive result also emerged. Similarly, for wives, where there was deprivation on both the eight- and four-item index, significantly higher GHQ scores were observed. The husband’s deprivation on the eight-item index was also a source of psychological distress for wives. In addition, a significant and positive relationship was also found between wives faced with the burden of managing financial resources and her GHQ scores.

Table 4: Determinants of psychological distress: the impact of deprivation and financial strain

	Husband’s GHQ		Wife’s GHQ	
	Full Model	Restricted Model	Full Model	Restricted Model
Constant	0.4877*** (0.0754)	0.5790*** (0.0550)	0.6538*** (0.0969)	0.7202*** (0.0873)
Deprivation (8) Male	1.0468*** (0.2357)	1.0811*** (0.2338)	1.0118*** (0.3031)	1.0387*** (0.3009)
Deprivation (8) Fem	0.6210*** (0.1938)	0.6903*** (0.1824)	0.8300*** (0.2492)	0.8471*** (0.2486)
Deprivation (4) Male	0.3694** (0.1769)	0.3762** (0.1737)	0.4123*** (0.1719)	
Deprivation (4) Fem	0.0250 (0.1337)		0.0738 (0.2274)	0.4121*** (0.1690)
Male burdened	0.1212 (0.1410)		0.2926 (0.1813)	
Female burdened	0.1809* (0.1056)		0.4013*** (0.1358)	0.3577*** (0.1326)
R-squared	0.0381	0.0352	0.0452	0.0429
Adjusted R-squared	0.0329	0.0326	0.0401	0.0395
F-Statistic	7.37 (0.0000)	13.63 (0.0000)	8.81 (0.0000)	12.53 (0.0000)

Standard errors given in parenthesis

*** indicates significance at the 1% level

** indicates significance at the 5% level

* indicates significance at the 10% level

Tables 5 and 6 contain the regression results for the second measure of psychological distress - fatalism. The first two columns of Table 5 show the results for the fatalism measure of psychological health for husbands. Eight income and socio-demographic variables were found to be statistically significant in terms of being able to explain some of the variation in the dependent variable in the restricted model. The variables of significance were the level of household income, his age, his level of education (two categories), his social class (two categories), his employment status and his geographical location. As with the first measure of psychological well-being, GHQ, the husband's fatalism score declined if he was employed and/or had a leaving certificate. In addition, household income, higher education, social class (either professional or skilled relative to unskilled) and an urban geographical location also had a positive impact on psychological health.

The last two columns in Table 5 show the equivalent regression results for the wife. Five variables were statistically significant in terms of being able to explain some of the variation in the dependent variable. These were household income, the wife's independent income, and the age, education level and social status of her husband. As for husbands, there was a negative relationship between household income, higher education and employment status such that the wife's fatalism score declined the higher the household income and in line with the husband's level of education and employment status. In addition, there was a significant negative relationship between the wife having an independent income and her fatalism scores such that an independent income for the wife had a significant beneficial effect on her levels of fatalism or feeling of powerlessness. Finally, a significant positive relationship was observed between age and fatalism scores for both husbands and wives, indicating that, in older age groups, feelings of fatalism and powerlessness are more prominent.

Table 5: Determinants of fatalism: the impact of income and socio-demographic factors

	Husband's fatalism		Wife's fatalism	
	Full model	Restricted model	Full model	Restricted model
Constant	1.5496*** (0.3436)	1.7916*** (0.2836)	1.6567*** (0.3641)	1.5723*** (0.2841)
Household income	-0.0007 (0.0005)	-0.0009** (0.0004)	-0.0010** (0.0005)	-0.0014*** (0.0005)
Female has independent income	-0.0001 (0.0004)		-0.0010*** (0.0004)	-0.0010** (0.0004)
Age	0.0180*** (0.0044)	0.0153*** (0.0038)	0.0136*** (0.0047)	0.0139*** (0.0040)
Higher education	-0.4407*** (0.1431)	-0.4382*** (0.1425)	-0.3647** (0.1522)	-0.3664*** (0.1304)
Leaving Cert education	-0.3542*** (0.1203)	-0.3594*** (0.1199)	-0.1725 (0.1279)	
Professional	-0.3731*** (0.1245)	-0.3586*** (0.1239)	-0.2064 (0.1324)	
Skilled	-0.2948*** (0.1086)	-0.2982*** (0.1085)	-0.1300 (0.1157)	
Employed	-0.6292*** (0.1281)	-0.5945*** (0.1252)	-0.2760** (0.1368)	-0.2879** (0.1325)
Urban	-0.2244** (0.0930)	-0.2223*** (0.0914)	-0.0547 (0.0983)	
Children	0.1636 (0.1144)		0.0461 (0.1219)	
Adult present ¹	0.0049 (0.0888)		0.0182 (0.0943)	
R-squared	0.1735	0.1720	0.0995	0.0951
Adjusted R-squared	0.1653	0.1660	0.0906	0.0911
F-Statistic (P-value)	21.21 (0.0000)	28.92 (0.0000)	11.16 (0.0000)	23.48 (0.0000)

Standard errors given in parenthesis

*** indicates significance at the 1% level

** indicates significance at the 5% level

* indicates significance at the 10% level

Household characteristics are associated with husbands unless otherwise indicated.

¹ 'Adult present' refers to a wife being present at the time of the husband's interview in the case of the husband and vice versa in the case of the wife.

Table 6 presents regression results capturing the impact of deprivation and burden of coping measures on the measures of fatalism for husbands and wives. Perhaps as expected, for husbands, his level of deprivation (on both indices) and his wife's

deprivation on the eight-item index had positive coefficients, indicating that the husband had higher levels of powerlessness or loss of control when deprived, or when his wife was deprived. In addition, where the wife was under financial strain, the husband also experienced a certain element of powerlessness. In the wife's case, financial strain was a greater determinant of the feeling of powerlessness, with significant positive effects found for both the wife's and the husband's measure of financial burden. Interestingly, for wives, neither her own nor her husband's deprivation on the eight-item index appeared to be significant in determining her levels of fatalism. However, where the wife was deprived, based on the four-item index, this was significant at the 1% level. The eight-item index comprised items of basic material deprivation whereas the four-item index comprised items relating to pastimes and leisure activity, social activity, personal spending money and education or training. The significant correlation between deprivation on this index and feelings of control and powerlessness is thus not that surprising.

Table 6: Determinants of fatalism: the impact of deprivation and financial strain

	Husband's fatalism		Wife's fatalism	
	Full model	Restricted model	Full model	Restricted model
Constant	1.2724*** (0.0691)	1.2870*** (0.0610)	1.4066*** (0.0710)	1.4434*** (0.0669)
Deprivation (8) Male	0.7929*** (0.2162)	0.7916*** (0.2147)	0.1101 (0.2219)	
Deprivation (8) Female	0.9685*** (0.1778)	0.9588*** (0.1699)	0.9242*** (0.1825)	
Deprivation (4) Male	0.4942*** (0.1622)	0.5039*** (0.1594)	0.1197 (0.1665)	
Deprivation (4) Female	-0.0352 (0.1226)		0.1719 (0.1258)	0.9885*** (0.1740)
Male burdened	0.0973 (0.1294)		0.3621*** (0.1328)	0.3730*** (0.1325)
Female burdened	0.1847* (0.0969)	0.1682* (0.0945)	0.1828* (0.0994)	0.1979** (0.0988)
R-squared	0.0559	0.0554	0.0431	0.0409
Adjusted R-squared	0.0508	0.520	0.0380	0.0383
F-statistic	11.02 (0.0000)	16.40 (0.0000)	8.39 (0.0000)	15.92 (0.0000)

Standard errors given in parenthesis

*** indicates significance at the 1% level

** indicates significance at the 5% level

* indicates significance at the 10% level

Conclusions

The relative deprivation hypothesis proposes that individual levels of satisfaction are derived from comparison of the favourability of one's situation to the situations of those around them: that is, what matters in terms of personal satisfaction are subjective assessments of relative rather than absolute income or resources.³¹ This chapter focused on the relationship between the relative deprivation and financial strain experienced individually by married couples and their psychological distress and feelings of fatalism. Specifically, it addressed the question of whether inequalities within the household in relation to material standards of living, financial arrangements and expenditure responsibilities have an independent impact on individual levels of psychological distress and feelings of powerlessness. This question was explored by using the results from the module on intra-household inequality along with the responses of the same couples to questions from the Outlook on Life section of the Living in Ireland Survey.

For the GHQ measure, the results showed, first, that a high proportion of husbands and wives were not suffering from psychological distress. This is consistent both with previous studies of psychological distress in Ireland and with the results of the intra-household module on material deprivation which showed that the majority of couples felt that they were not deprived of certain goods or activities due to lack of money. Both sets of results reflect the increase in general living standards in Ireland during the boom time mid- to late 1990s, the pronounced fall in consistent poverty measures and the analogous surveys showing the Irish to be 'the happiest in Europe'.³² On the other hand, a substantial minority of husbands and wives were shown to experience considerable levels of psychological distress. A third of the women and over a quarter of the men in the sample indicated that they suffered some psychological distress scoring between 1 and 12 on the GHQ, with the majority of those in the 1 to 3 categories.

³¹ Tyler and others (n 15).

³² Ruut Veenhoven, 'The Return of Inequality in Modern Society' (2005) 6 *Journal of Happiness Studies* 457.

Using the standard GHQ threshold, the analysis confirmed the presence of a number of expected correlations. There was clearly a positive relationship between the GHQ score and household income, with the stronger correlation for husbands again reflecting and supporting the literature in relation to the links between unemployment, financial strain and psychological distress. The multivariate analysis demonstrated a significant relationship between material deprivation, financial strain and psychological distress. For both husbands and wives, deprivation, based on their own and each other's eight-item indices, and on their own four-item indices, had a significant positive effect on the GHQ measure. That is, relative material deprivation increased their psychological distress.

For wives, but notably not for husbands, a significant and positive relationship was found between financial burden and GHQ scores. Wives faced with the burden of managing scarce financial resources suffered higher levels of psychological distress.

In relation to the fatalism measure, the multivariate analysis showed the importance of household income, age, education and social status for both husbands and wives. In addition, for husbands, employment status was a significant independent variable with the negative co-efficient implying that a husband's fatalism score declines when employed. This finding corroborates previous studies and perhaps also underscores the continuing ideological significance of the breadwinner role for men. For wives, there is a significant negative relationship between having an independent income and her fatalism scores. An independent income has a significant beneficial effect on her levels of fatalism or feelings of powerlessness. Again, this finding is in line with the emphasis placed on financial independence in the intra-household literature and with previous studies which demonstrated the impact of an independent income in narrowing the gap in deprivation scores between husbands and wives.³³ This study shows that the higher the independent income that accrues to the wife, the greater the positive impact on her psychological health.

Finally, the multivariate analysis showed the impact of deprivation and burden of coping on the measure of fatalism for husbands and wives. Material deprivation was a

³³ Sara Cantillon and Brian Nolan, 'Are Married Women more Deprived than their Husbands?' (1998) 27 *Journal of Social Policy* 151; Cantillon, Gannon and Nolan (n 8); Cantillon (n 7).

significant explanatory factor for husbands. For wives, however, it was deprivation in relation to social activities and personal spending money rather than material deprivation per se, that was the significant independent variable in determining her fatalism scores. Financial strain was a significant determinant of the feeling of powerlessness with positive effects found for both husbands and wives on their own and each other's measure of financial burden.

What this chapter shows, then, is that intra-household inequality does impact upon individual psychological well-being. Specifically, differences in living standards, the financial arrangements adopted and the extent of income sharing explains some of the variance in the psychological health of individuals in close personal relationships, beyond that which is attributable to social class, household income or other socio-economic variables. Significantly, these differences are gendered, demonstrating that within the 'black box' of the household, unequal gendered roles are borne with evidential psychological impact.

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